

From: [Payne, James](#)
To: [Gray, David](#); [Coleman, Sam](#)
Cc: [Quinones, Edwin](#); [Harrison, Ben](#)
Subject: Fwd: Press Release
Date: Saturday, December 17, 2016 6:59:45 PM

FYI - I forwarded this to Caroline Sweeney at TCEQ.

Jim
214-490-6707 cell

Sent from my iPhone

Begin forwarded message:

From: Caroline Sweeney <caroline.sweeney@tceq.texas.gov>
Date: December 17, 2016 at 6:57:42 PM CST
To: "Payne, James" <payne.james@epa.gov>
Subject: Re: Press Release

Thanks!

On Dec 17, 2016, at 6:52 PM, Payne, James <payne.james@epa.gov> wrote:

Sent from my iPhone

Begin forwarded message:

From: <molly.cagle@bakerbotts.com>
Date: December 17, 2016 at 6:13:50 PM CST
To: <payne.james@epa.gov>,
<Houston.Ezell@ergon.com>,
<KWatson@whjpllc.com>,
<catherine.yang@bakerbotts.com>,
<Scott.Janoe@BakerBotts.com>
Subject: Fwd: Press Release

Done

Sent from my iPhone

Begin forwarded message:

From: Bill Miller
<bmiller@hillcopartners.com>
Date: December 17, 2016 at 6:06:00 PM
CST
To: Bill Miller
<bmiller@hillcopartners.com>
Subject: Press Release

For Immediate Release:

Contact:
Bill Miller
bmiller@hillcopartners.com
512-658-8962
ERGON ASPHALT & EMULSIONS, INC.
PRESS RELEASE
December 17, 2016

Ergon Asphalt & Emulsions, Inc. leases and operates a portion of Valero Marketing and Supply Co.'s asphalt terminal in Corpus Christi. Valero's asphalt terminal has an interconnection with the City's water supply line, which provides potable water to the terminal. Ergon is not directly connected to the City's water supply line, but purchases water from Valero through a separate water line within the terminal.

A soap solution, which is comprised of approximately 98% water and 2% Indulin AA-86 and hydrochloric acid, back flowed into the separate water line within the Valero terminal. Ergon uses the soap solution in its asphalt operations. The soap solution is stored in a tank before it is fed into the process. When the backflow occurred within the Valero terminal complex, the soap solution would have been diluted with the water in the water line.

On December 14, the City issued water restrictions while it investigated whether it was possible for the backflow to have traveled upstream and reached Valero's interconnection with the City water supply line. On December 16th the City modified the restrictions and declared that any backflow could simply not have entered the distribution system in Zone 1 and was very unlikely to have entered Zone 2. For a more detailed discussion of these steps and the zone designations please see news.cctexas.com news.

Ergon has cooperated fully with the City, TCEQ, and EPA and will continue to do so. Ergon also put the agencies in direct communication with

the manufacturer of Indulin AA 86 for the same purpose. We remain committed to providing any information that may be helpful to the agencies in their ongoing investigation to confirm that the community's water is safe and that restrictions are lifted as soon as possible. Ergon is committed to the Corpus Christi community and stands ready to assist the EPA, TCEQ and the City with any additional requests that will facilitate a rapid resolution of the situation.

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